#### BEFORE THE PUBLIC UTILITIES COMMISSION

#### OF THE STATE OF HAWAII

In the Matter of the Application of	)
PUBLIC UTILITIES COMMISSION	) DOCKET NO. 2008-0273
Instituting a Proceeding to Investigate the Implementation of Feed-in Tariffs.	) ) )
	CO CO SUBLI

2001 JUN 26 P 2: 40

TAWHIRI POWER LLC'S REPLY BRIEF;

**EXHIBIT "G"** 

**AND** 

**CERTIFICATE OF SERVICE** 

HARLAN Y. KIMURA ATTORNEY AT LAW, A LAW CORPORATION Central Pacific Plaza 220 South King Street, Suite 1660 Honolulu, Hawaii 96813 Telephone No. (808) 521-4134

Attorney for Tawhiri Power LLC

## OF THE STATE OF HAWAII

In the Matter of the Application of	)	
PUBLIC UTILITIES COMMISSION	)	DOCKET NO. 2008-0273
Instituting a Proceeding to Investigate the Implementation of Feed-in Tariffs.	)	
	)	

### TAWHIRI POWER LLC'S REPLY BRIEF

TO THE HONORABLE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII:

Pursuant to the Hawaii Public Utilities Commission's (the "Commission") Order
Granting The County Of Hawaii's Motion For Approval To Amend its Status As An Intervenor
To A Participant, Filed On April 8, 2009; Granting The City And County Of Honolulu's Motion
For Approval To Amend its Status As An Intervenor To A Participant, Filed On April 8, 2009;
Amending Hawaii Holdings, LLC, Doing Business As First Wind And Sempra Generation's
Status As Intervenors To Participants; And Amending The Schedule In This Proceedings, filed
herein on April 27, 2009, as amended by the Commission's letter dated May 21, 2009
(collectively "Procedural Order II"), TAWHIRI POWER LLC ("TPL") hereby submits to the
Commission its Reply Brief. TPL's two (2) Consultants and Expert Witnesses, Dr. Mohamed
El-Gasseir and Mr. Harrison Clark, have provided invaluable assistance in preparing its Opening
Brief, this Reply Brief, and other pleadings and documents submitted on behalf of TPL herein.

// //

//

#### I. ARGUMENTS:

A. CONTRARY TO THE ARGUMENTS OF THE HECO COMPANIES, THE "DO NO HARM" FORMULA IS RELATIVELY EASY TO ADMINISTER AND COMPENSATION FOR CURTAILMENT IS READILY DETERMINABLE WITH SUFFICIENT ACCURACY.

The Opening Brief of The HECO Companies and Consumer Advocate filed herein on June 12, 2009 ("HECO Opening Brief") appear to refer to TPL's "Do No Harm" ("DNH")

Formula as the "make whole" method. HECO Opening Brief at 65. In the HECO Opening Brief the HECO Companies appear to reject the DNH Formula on the basis of erroneous and unsubstantiated assertions. First, there is the baseless claim that the "make whole" method "would be difficult to administer in practice". Id. Apparently, the HECO Companies are unaware of the practice of forecasting and dispatching variable generation on a short-term basis (i.e. as a few hours in advance of real time) and utilizing true-up mechanisms as part of a monthly settlement cycle which is standard practice on the Mainland and in Western Europe.

From a process perspective, TPL's DNH Formula is no more difficult to apply than those adopted in New York, California, New Jersey, and many other states. In fact, it may be readily argued the DNH Formula is easier and less controversial than the forecasting, and settlement/true-up approach underlying the Decoupling and Revenue Adjustment Mechanism the HECO Companies are proposing to shield their shareholders from the risks of stranded assets as proposed in the Decoupling Docket; Docket No. 2008-0274 ("the HECO Decoupling Proposal"). Furthermore, since the HECO Decoupling Proposal and the DNH Policy and Formula (sometimes collectively "DNH Solution") strive toward the same goal of protecting investors, and rely on identical principles and techniques, allowing the HECO Companies the right to

protect their assets while denying the same for Independent Power Producers may amount to violation of Federal Law(s) prohibiting discrimination against third party generators.

A second argument offered by the HECO Companies in its apparent objection to the DNH Formula is the claim that it would encourage "wrong" projects because it "takes away the natural disincentive for adding excessive amounts of must-take energy to a system that will occur if the producer bears the costs of curtailment (through reduced sales)." Id. at 63 and 65. While this myopic view may appear at first glance logical, its consequences would be disastrous to ratepayers and erode public support for policies designed to accelerate Hawaii's transition to a sustainable renewable energy economy. In fact, achieving the goals of the Energy Agreement and complying with the Renewable Portfolio Standards (RPS) requirements will necessitate employing all available resources, especially those with a proven track record of being cost effective. In this regard, it is essential to examine the total cost to ratepayers before discouraging any type of technology over another resource on the sole basis of curtailability.

Contrary to the implied claims of the HECO Companies, the DNH Solution encourages the development of the optimal combination of renewable energy resources and technologies.

The reasons are as follows:

- Depending on the size of the generating facility and the applicable
  interconnection requirements, the DNH Formula guarantees revenue neutrality
  despite the level of curtailment experienced, and ensures developers of curtailable
  resources will invest in the data acquisition, analysis and communication
  equipment and software tools essential to produce a non-contentious
  compensation and settlement of curtailed energy.
- 2. The DNH Solution will maximize system flexibility and ensure reliable grid operation as FiT and other programs introduce more renewable generation into

- each Island's grid by accommodating the estimating, pre-scheduling, implementation and settlement of required resource curtailments without harming any third parties.
- 3. Since the DNH Solution protects all generators against the risks of curtailment, the Commission need not consider inclusion of a "curtailment compensation component" in the FiT design equation. This approach increases the possibility of developing and instituting a balanced, non-discriminatory and affordable FiT program.

Alternatively, the Commission may consider the consequences of implementing a FiT program without the DNH Solution. Under this scenario, the two (2) possibilities are:

- 1. Completely ignore the curtailment issue; or
- Compensate developers by providing them either with a flat price adder to the base
   FiT rate over the term of their contracts and/or adjusting the FiT rate by increasing it during high load periods.

The first approach places the compensation problem upon risk-averse investors compelling them to incorrectly estimate their long-term curtailment risks into the financing terms offered renewable energy developers. With respect to the second approach, the drawback of the long-term compensation methods of price adders and/or price shaping is these mechanisms are required to rely upon long-term forecasting of potential curtailment. In addition to this fatal flaw (i.e., the substantial risks associated with an unpredictable long-term curtailment problem), the two alternatives to the DNH Solution impose undue and potentially significant discrimination and harm to existing generators.

In their apparent criticism of the DNH Solution, the HECO Companies assert the amount of curtailed energy may only be estimated. This generalization fails to draw attention to the

#### following three facts:

- 1. The prime directive behind the FiT philosophy is guaranteeing cost-plus compensation to potential developers of renewable generation projects. This requires the Commission to implement a FiT program that will compensate every developer for any measurable level of revenue loss due to future curtailment over the life of its contract. The aforesaid compensation alternative to the DNH Solution rely upon estimating potential curtailments over 20-year time horizons; a Russian roulette game bound to injure both ratepayers and the sustainable development of renewable energy in Hawaii.
- 2. In contrast, the DNH Solution relies upon near-term forecasting of potential curtailment. There is certain accuracy in calculating the curtailment losses with the DNH Formula because the technology for predicting loads and variable energy production within a few hours of real time has improved vastly over the last two decades. Furthermore, the accuracy of commercially available forecasting tools is sufficient to allow both small and large system operators to pre-dispatch wind generators on par with dispatchable generating plants.
- 3. TPL's DNH Solution incorporates monthly true-up settlements that will fairly and expeditiously compensate the buyer and the seller for any over/under collection.

As indicated previously, the alternatives to the DNH Solution will result in undue discrimination and injury to existing generators. Although some FiT-eligible technologies may not cause significant increase in curtailment of other renewable generators, others will do so, especially for the long term. Therefore, the alternatives to the DNH Solution will not and cannot mitigate any increase in curtailment risks to existing contracts. The DNH Solution, however, provides a path for utilizing state-of-the-art data acquisition and communication

equipment and software which are already in place in some of the existing renewable energy facilities for testing and implementation of the DNH solution within a relatively short time for the purposes of:

- Designing and evaluating a workable compensation and settlement mechanism; and
- Increasing system flexibility for operators.

Finally, compensating curtailable generators via the DNH Formula will empower system operators to identify and dispatch the combination of resources necessary to ensure reliability and minimize operating costs for consumers. Without a DNH-like solution, implementing a FiT program will expand the queues of curtailable resources and unnecessarily complicate dispatching processes required to account for contestable seniority rules to protect existing and future generators.

It has been argued that compensating generators may be viewed as paying twice for the same energy; once for the curtailed energy and a second time to the utility generating the replacement power. However, the reality facing the Commission and policy makers is that, at least with respect to the Big Island (and eventually everywhere), there is an inflexible utility system with limited load growth which cannot accommodate any increase in generation from any source without risking greater curtailment of power production from existing Independent Power Producers. Designing a FiT program to allow for new market entrants at the expense of developers who have already committed considerable resources toward renewable generation projects is not an acceptable situation. Similarly, requesting existing contracts to bear the cost of encouraging their competitors to enter the market is neither just nor reasonable because the added curtailment is the result of new generation increments and continued system inflexibility. On the other hand, the DNH Solution will guide Hawaii to fix this problem by facilitating direct and up-to-date assessment of the cost of continued system inflexibility; namely, the cost of the

replacement energy from utility plants.

To summarize, the DNH Formula **encourages and facilitates** the primary purpose of the Energy Agreement, Renewable Portfolio Standards, and other related programs which is the accelerated development of renewable resources to reduce dependence on foreign oil, meet the energy needs of Hawaii's residents and visitors, and reduce greenhouse gas emissions and criteria pollutants production. As cogently stated in TPL's Opening Brief filed herein on June 12, 2009 ("TPL's Opening Brief"), the "solution is not to penalize the "as-available" renewable producers because the grids cannot take all their generation, the remedy is to 'fix the grid." <u>Id</u>. at 14.

## B. THE HECO COMPANIES CONTINUE TO DISSEMINATE MISINFORMATION ASSOCIATING SYSTEM FREQUENCY DEVIATIONS WITH WIND GENERATION.

The HECO Opening Brief once again confirms TPL's caution to the Commission to critically evaluate the information offered concerning the chronological profiles of TPL's Pakini Nui's energy output and HELCO's system frequency. HECO Opening Brief at 18-30. As stated in TPL's Opening Brief, "HELCO/HECO representatives have made allegations associating their system frequency control problems with the operation of TPL's Pakini Nui wind farm on the Big Island." TPL's Opening Brief at 2. In response, TPL squarely countered these unfounded conclusions and ill-founded arguments. Id. at 2-5 and Exhibit "F" attached thereto. Specifically, HELCO/HECO build their case on the Pakini Nui power fluctuations that occurred on the second day of its operations which were associated with a control problem that caused the wind turbines to shut down. HECO Opening Brief at page 23. This problem has not occurred since.

HECO's Opening Brief also attempts to introduce new evidence by way of Figure 8<sup>1</sup> characterizing the event described therein which was solely HELCO's doing, but yet blamed it on the wind energy generated at Pakini Nui and Hawi. That presentation in misleading because it actually demonstrates problems with HELCO's system planning and operation, not a problem with Pakini Nui as explained in Exhibit "G" attached hereto and made a part hereof.

Furthermore, TPL has been recording the HELCO frequency and its own power fluctuations rigorously, and will demonstrate conclusively that Pakini Nui is not the cause of significant frequency excursions on the HELCO system.<sup>2</sup> Therefore, TPL respectfully requests the Commission to disregard the summaries and/or conclusions of the HECO Companies with respect to any reports or studies offered by them in support of their arguments.<sup>3</sup>

Secondly, for the first time in this Docket the HECO Companies disclosed they are in possession of two (2) EPRI Studies purportedly concluding wind generated energy serving the HELCO grid adversely affects their frequency control and load balancing ("EPRI Reports"). HECO Opening Brief at 22. However, the EPRI Reports were not provided with the HECO Opening Brief. Thus, other parties in this proceeding and the Commission are unable to verify whether the HECO Companies" characterization of them is accurate. Moreover, the Commission should critically evaluate the HECO Companies' arguments purportedly supported by the EPRI Studies because there is reason to do so.<sup>4</sup> As is evident by TPL's assessment of one "GE study" and one conducted by Electric Power Systems, HECO has failed to provide the

<sup>1</sup> HECO Opening Brief at 24.

<sup>&</sup>lt;sup>2</sup> Documentation to support this position is presently being finalized and will be provided at the appropriate time and venue.

See e.g., Exhibit "F" attached to TPL's Opening Brief as an example of the "liberties" taken by the HECO Companies with respect to the studies offered in support of their arguments and positions in this Docket.
 See TPL's Opening Brief at 22 where Mr. Harrison Clark states in no uncertain terms that the Phase II Study

contracted by the HECO Companies "provides virtually no useful insight into the behavior or limitations of the HELCO system to accommodate renewable generation."

complete text of those studies and the claimed conclusions are not supported by them.<sup>5</sup>

Finally, the design and interpretation of the various studies offered by the HECO Companies in support of their arguments in this Docket, as well as the untimely disclosure of the existence of the EPRI Studies, should convince the Commission that "the desired studies [must] be carried out by outside experts without any ties to any Party to the FiT Docket, including the HECO companies." TPL's Opening Brief at 20. Until that is done and those studies are made available to all parties and the Commission, the Commission will not know whether the HECO Companies' rate of acceptance of renewable generation by their grids are being performed as quickly and cost-effectively as possible without adversely affecting system safety and reliability.

# C. PROPER PLANNING AND ADMININSTRATION OF FIT PROGRAMS REQUIRE SOUND DEFINITION AND ACCURATE DETERMINATION OF AVOIDED COSTS IN A FULLY TRANSPARENT MANNER.

The HECO Opening Brief recognizes the important role avoided costs play in designing an effective FiT program. HECO Opening Brief at 65-66. In particular, their Opening Brief emphasizes the Commission's views on this issue by referencing its Scoping Paper which proposes limits on Fit purchases could "be placed on installed capacity, expected production, or rate impact (e.g., the difference between the purchased cost made under a PEFiT rate and an avoided-cost rate compared to total retail revenues)." Id. at 82. The fact that HB1270 SD2 (or Act 50) had abolished avoided costs as a cap on energy prices paid for renewable energy does not detract from the need to use them to benchmark FiT rates. HECO's request for the Commission to "issue a determination concerning the ability [of the Commission] to establish FIT energy payment rates above avoided cost" supports the need for establishing avoided cost

<sup>&</sup>lt;sup>5</sup> See e.g., Exhibit "F" attached to TPL's Opening Brief.

benchmarks. HECO Opening Brief at 54. Although these are encouraging signs reducing the usual rhetoric against the Public Utilities Regulatory Policies Act (PURPA) (Public Law 95-617) [16 U.S.C. 824a-24] and avoided cost concepts, TPL remains concerned that avoided utility costs are properly defined and determined.

In its Opening Brief, TPL discussed how avoided costs may be defined and determined. In furthering this discussion, TPL posits the proper legal and economic foundation for establishing a sound benchmarking basis for designing, implementing and assessing a FiT program is the recognition of the incremental nature of avoided costs as properly defined by PURPA. As the Commission contemplates establishing benchmarks for future FiT rates, it is important to revisit Public Law 95-617, and its subsequent amendments, as they related to defining avoided costs and the rules for determining them. Subsection (d) of Section 824a-3<sup>6</sup> on cogeneration and small power production defines the incremental cost of alternative electric energy in the following manner:

For purposes of this section, the term 'incremental cost of alternative electric energy' means, with respect to electric energy purchased from a qualifying cogenerator or qualifying small power producer, the cost to the electric utility of the electric energy which, **but for** the purchase from such cogenerator or small power producer, such utility would generate or purchase from another source. [Emphasis added]

As previously mentioned in this Docket, TPL is investigating indications that the current practice of avoided cost determination in Hawaii fails to meet Federal standards in at least two fundamental respects:

- HECO does not assess avoided costs on an incremental basis as Federal Law and economic principles require.
- The avoided cost methodology HECO utilizes does not abide by the "but for"

<sup>6 16</sup> U.S.C. § 824a-3(d), as amended

clause of Subsection (d) of 16 U.S.C. 824a-3 (Public Law 95-617).

Moreover, the process used to develop and implement the current methodology for determining avoided costs failed to meet the most important requirements of due process; full transparency and that no man or entity be the judge of their own case.

#### II. CONCLUSION:

As a summary of the arguments set forth in TPL's Opening Brief, and this Reply Brief, TPL submits that designing and implementing an effective FiT Program for each Island require five (5) essential conditions:

- i) A balanced perspective on the available renewable resource base. There is considerable misinformation and generalizations based on outdated experiences that wind generation is responsible for system frequency problems. The effects of this disturbing phenomenon extend beyond any particular developer since wind resources are a key ingredient in Hawaii's plans to be a fully green state. Establishing and maintaining a proper perspective on the economics and non-economic merits of wind energy is crucial to designing and implementing a balanced least-cost FiT program for each Island.
- ii) The Commission must address the "curtailment problem" that is already present, especially within the HELCO system. Unresolved, this problem will undermine the FiT Program if existing IPPs are "penalized" in favor of new renewable generation entering into the grid under this program. Therefore, adoption of the DNH Formula into the FiT Program will both increase the Program's probability of success, and enable system operators to freely identify and select the generators to be curtailed to ensure system reliability and grid stability.

iii) Start with the Initial Phase to gather needed information and gain the required experience upon which a follow-up expanded FiT can be developed.

iv) Mandate the performance of Integrated System Planning Studies for each Island in a

fully transparent manner and under truly independent management to devise a

roadmap to an accelerated transformation to fully renewable electricity supply

systems.

v) Revisit defining and determining avoided utility costs for benchmarking and

balancing competing options on the road to a fully renewable economy.

Respectfully submitted.

DATED: Honolulu, Hawaii, June 26, 2009.

Attorney for Movant Tawhiri Power LLC

The HECO Companies Opening Brief does not portray the impact of Pakini Nui wind fluctuations accurately or honestly in the presentation and discussion of Figure 8. The reasons are:

- 1) The contribution of Pakini Nui to the wind event presented in Figure 8 was unprecedented and has not occurred since. It is not a representative event.
- 2) HELCO was obligated by a PUC determination in Docket 7310 to carry 15 MW of spinning reserve to accommodate wind plants and was not doing so at the time of this event. Instead, the spinning reserve was a modest 8 MW.<sup>1</sup>
- 3) It is evident from Figure 8 that the HELCO AGC system was either off-line or otherwise did not respond as it should have to this event. The frequency decay reflects governor response with little or no help from AGC. The AGC system had 95 seconds to make a substantial contribution and didn't.
- 4) The Brief claims that the event caused instantaneous underfrequency load shedding at 59.0 Hz. In reality the underfrequency load shedding occurred at 59.3 Hz.
- 5) The underfrequency load shedding that did occur was premature and unreasonable in an island system with or without wind. Indeed, HELCO was advised by their own consultant, EPS, in December of 2006, almost two years before this event occurred, to make the underfrequency relay setting changes that are claimed in the Opening Brief to have resulted from this April 2008 event.
- 6) Finally, the Interconnection Requirements study performed for Pakini Nui demonstrated that a sudden trip of Pakini Nui at 10 MW would not cause underfrequenty load shedding. The much slower drop in Pakini Nui power in this event should have been harmless.

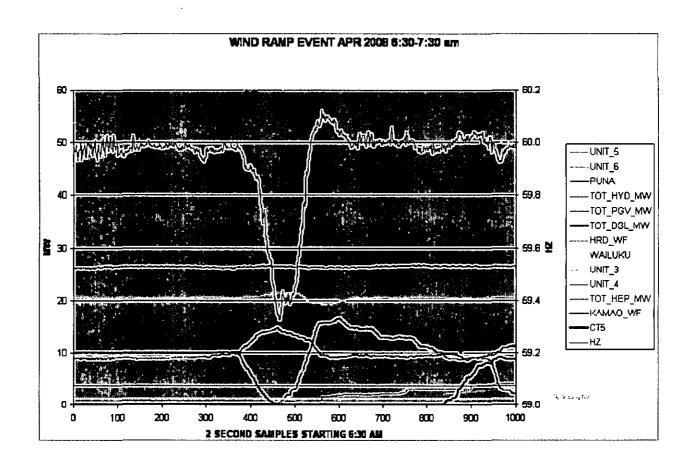
In summary, had the HELCO system been operated properly, in accordance with HELCO's 7310 commitment and with the recommendation of their consultant (eps) and industry practice, the event presented in Figure 8 would have been a non-event.

HARRISON CLARK

JUNE 26, 2009



<sup>&</sup>lt;sup>1</sup> TPL's tracking of Pakini Nui power fluctuations and the resulting HELCO frequency reveals that HELCO often runs less than 15 MW of spinning reserve and that HELCO's AGC system is often off-line or ineffective.



#### **CERTIFICATE OF SERVICE**

The foregoing Opening Statement Of Position was served on the date of filing by hand delivery or electronically transmitted to each such Party.

CATHERINE P. AWAKUNI EXECUTIVE DIRECTOR DEPT OF COMMERCE & CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P.O. Box 541 Honolulu, Hawaii 96809

2 Copies Via Hand Delivery

MR. DEAN MATSUURA MANAGER REGULATORY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P.O. Box 2750 Honolulu, HI 96840-0001 Electronically transmitted

MR. JAY IGNACIO PRESIDENT HAWAII ELECTRIC LIGHT COMPANY, INC. P. O. Box 1027 Hilo, HI 96721-1027 Electronically transmitted

MR. EDWARD L. REINHARDT PRESIDENT MAUI ELECTRIC COMPANY, LTD. P. O. Box 398 Kahului, HI 96732 Electronically transmitted

THOMAS W. WILLIAMS, JR., ESQ.
PETER Y. KIKUTA, ESQ.
DAMON L. SCHMIDT, ESQ.
GOODSILL, ANDERSON QUINN & STIFEL
Alii Place, Suite 1800
1099 Alakea Street
Honolulu, Hawaii 96813

Electronically transmitted

Co-Counsel for HECO, HELCO, and MECO

//

ROD S. AOKI, ESQ. ALCANTAR & KAHL LLP 120 Montgomery Street Suite 2200 San Francisco, CA 94104 Electronically transmitted

Co-Counsel for HECO, HELCO, and MECO

MARK J. BENNETT, ESQ.
DEBORAH DAY EMERSON, ESQ.
GREGG J. KINKLEY, ESQ.
DEPARTMENT OF THE ATTORNEY GENERAL
425 Queen Street
Honolulu, Hawaii 96813

Electronically transmitted

Counsel for DBEDT

CARRIE K.S. OKINAGA, ESQ.
GORDON D. NELSON, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU
530 South King Street, Room 110
Honolulu, Hawaii 96813

Electronically transmitted

LINCOLN S.T. ASHIDA, ESQ.
WILLIAM V. BRILHANTE JR., ESQ.
MICHAEL J. UDOVIC, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
COUNTY OF HAWAII
101 Aupuni Street, Suite 325
Hilo, Hawaii 96720

Electronically transmitted

MR. HENRY Q CURTIS
MS. KAT BRADY
LIFE OF THE LAND
76 North King Street, Suite 203
Honolulu, Hawaii 96817

Electronically transmitted

MR. CARL FREEDMAN HAIKU DESIGN & ANALYSIS 4234 Hana Highway Haiku, Hawaii 96708 Electronically transmitted

11

MR. WARREN S. BOLLMEIER II PRESIDENT HAWAII RENEWABLE ENERGY ALLIANCE 46-040 Konane Place, #3816 Kaneohe, Hawaii 96744 Electronically transmitted

DOUGLAS A. CODIGA, ESQ. SCHLACK ITO LOCKWOOD PIPER & ELKIND TOPA FINANCIAL CENTER 745 Fort Street, Suite 1500 Honolulu, Hawaii 96813

Electronically transmitted

Counsel for BLUE PLANET FOUNDATION

MR. MARK DUDA
PRESIDENT
HAWAII SOLAR ENERGY ASSOCIATION
P.O. Box 37070
Honolulu, Hawaii 96837

Electronically transmitted

MR. RILEY SAITO THE SOLAR ALLIANCE 73-1294 Awakea Street Kailua-Kona, Hawaii 96740 Electronically transmitted

MR. JOEL K. MATSUNAGA HAWAII BIOENERGY, LLC 737 Bishop Street, Suite 1860 Pacific Guardian Center, Mauka Tower Honolulu, Hawaii 96813 Electronically transmitted

KENT D. MORIHARA, ESQ. KRIS N. NAKAGAWA, ESQ. SANDRA L. WILHIDE, ESQ. MORIHARA LAU & FONG LLP 841 Bishop Street, Suite 400 Honolulu, Hawaii 96813 Electronically transmitted

Counsel for HAWAII BIOENERGY, LLC Counsel for MAUI LAND & PINEAPPLE COMPANY, INC.

MR. THEODORÉ E. ROBERTS SEMPRA GENERATION 101 Ash Street, HQ 12 San Diego, California 92101 Electronically transmitted

MR. CLIFFORD SMITH Electronically transmitted MAUI LAND & PINEAPPLE COMPANY, INC. P.O. Box 187 Kahului, Hawaii 96733 MR. ERIK KVAM Electronically transmitted CHIEF EXECUTIVE OFFICER ZERO EMISSIONS LEASING LLC 2800 Woodlawn Drive, Suite 131 Honolulu, Hawaii 96822 MR. JOHN N. REI Electronically transmitted SOPOGY INC. 2660 Waiwai Loop Honolulu, Hawaii 96819 GERALD A. SUMIDA, ESQ. Electronically transmitted TIM LUI-KWAN, ESQ. NATHAN C. NELSON, ESQ. CARLSMITH BALL LLP ASB Tower, Suite 2200 1001 Bishop Street Honolulu, Hawaii 96813 Counsel for HAWAII HOLDINGS, LLC, dba FIRST WIND HAWAII MR. CHRIS MENTZEL Electronically transmitted CHIEF EXECUTIVE OFFICER **CLEAN ENERGY MAUI LLC** 619 Kupulau Drive Kihei, Hawaii 96753 11 // 11 11 11 11

Electronically transmitted

SANDRA-ANN Y.H. WONG, ESQ. ATTORNEY AT LAW, A LAW CORPORATION 1050 Bishop Street, #514 Honolulu, HI 96813

Counsel for ALEXANDER & BALDWIN, INC., Through its division, HAWAIIAN COMMERCIAL & SUGAR COMPANY

DATED: Honolulu, Hawaii, June 26, 2009.

HARLAN Y. KIMURA

Attorney for Movant Tawhiri Power LLC